

# House File 27 - Introduced

HOUSE FILE \_\_\_\_\_  
BY BAUDLER

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

## A BILL FOR

1 An Act relating to the awarding of bonuses to appointed state  
2 officers and state employees, employees of entities created  
3 for the joint exercise of governmental powers, and employees  
4 of entities receiving government funds pursuant to a service  
5 contract with the state, and providing an effective date.  
6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:  
7 TLSB 1638YH 83  
8 ec/rj/14

PAG LIN

1 1 Section 1. Section 8F.3, subsection 1, Code 2009, is  
1 2 amended by adding the following new paragraph:  
1 3 NEW PARAGRAPH. e. Information that the recipient entity's  
1 4 policies prohibit the use of any of the moneys received  
1 5 pursuant to a service contract to provide bonus pay, as  
1 6 defined in section 70A.1, to officers or employees of the  
1 7 recipient entity.

1 8 Sec. 2. Section 28E.5, Code 2009, is amended by adding the  
1 9 following new subsection:

1 10 NEW SUBSECTION. 5A. The requirement that employees of the  
1 11 joint or cooperative undertaking not receive bonus pay, as  
1 12 defined in section 70A.1.

1 13 Sec. 3. Section 70A.1, subsection 1, Code 2009, is amended  
1 14 to read as follows:

1 15 1. a. Salaries specifically provided for in an  
1 16 appropriation Act of the general assembly shall be in lieu of  
1 17 existing statutory salaries, for the positions provided for in  
1 18 the Act, and all salaries, including longevity where  
1 19 applicable by express provision in the Code, shall be paid  
1 20 according to the provisions of chapter 91A and shall be in  
1 21 full compensation of all services, including any service on  
1 22 committees, boards, commissions or similar duty for Iowa  
1 23 government, except for members of the general assembly. A  
1 24 state employee on an annual salary shall not be paid for a pay  
1 25 period an amount which exceeds the employee's annual salary  
1 26 transposed into a rate applicable to the pay period by  
1 27 dividing the annual salary by the number of pay periods in the  
1 28 fiscal year. Salaries for state employees covered by the  
1 29 overtime payment provisions of the federal Fair Labor  
1 30 Standards Act shall be established on an hourly basis. In  
1 31 addition, unless otherwise authorized by law or required

1 32 pursuant to a collective bargaining agreement, a state  
1 33 employee shall not receive bonus pay for or during the time  
1 34 period beginning on or after the effective date of this Act.

1 35 b. For purposes of this section, "bonus pay" means any  
2 1 additional remuneration provided an employee in the form of a  
2 2 bonus, including but not limited to a retention bonus,  
2 3 recruitment bonus, exceptional job performance pay,  
2 4 extraordinary job performance pay, exceptional performance  
2 5 pay, extraordinary duty pay, or extraordinary or special duty  
2 6 pay, and any extra benefit not otherwise provided to other  
2 7 similarly situated employees.

2 8 Sec. 4. Section 99G.10, subsection 5, Code 2009, is  
2 9 amended to read as follows:

2 10 5. The authority may establish incentive programs for  
2 11 authority employees. However, the incentive programs shall  
2 12 not provide for bonus pay, as defined in section 70A.1, for  
2 13 authority employees.

2 14 Sec. 5. 2008 Iowa Acts, chapter 1191, section 13,  
2 15 unnumbered paragraph 3, is amended to read as follows:

2 16 A person whose salary is established pursuant to the  
2 17 section of this division of this Act that addresses the salary

2 18 ranges of state officers and who is a full-time, year-round  
2 19 employee of the state shall not receive any other remuneration  
2 20 from the state or from any other source for the performance of  
2 21 that person's duties ~~unless the additional remuneration is~~  
~~2 22 first approved by the governor or authorized by law.~~ However,  
2 23 this provision does not exclude the reimbursement for  
2 24 necessary travel and expenses incurred in the performance of  
2 25 duties or fringe benefits normally provided to employees of  
2 26 the state.

2 27 Sec. 6. EFFECTIVE DATE. This Act, being deemed of  
2 28 immediate importance, takes effect upon enactment.

2 29 EXPLANATION

2 30 This bill prohibits the granting of bonuses to state  
2 31 employees and employees of entities under Code chapter 28E,  
2 32 and the use of government moneys to provide bonuses to  
2 33 employees of an entity that enters into a service contract  
2 34 with the state.

2 35 Code section 8F.3, concerning contractual requirements for  
3 1 entities entering into a service contract with a state agency,  
3 2 is amended to provide that the entity entering into the  
3 3 contract shall have policies in place prohibiting the use of  
3 4 any of the moneys received pursuant to the service contract to  
3 5 provide bonuses to officers or employees of the entity.

3 6 Code section 28E.5, concerning agreements entered into for  
3 7 purposes of a joint or cooperative undertaking, is amended to  
3 8 provide that the agreement not permit payment of bonuses to  
3 9 employees of the joint or cooperative undertaking.

3 10 Code section 70A.1, concerning salaries and benefits of  
3 11 state employees, is amended to provide that no bonuses shall  
3 12 be paid to state employees unless otherwise authorized by law  
3 13 or a collective bargaining agreement. The amendment to the  
3 14 Code section also defines bonus pay as any additional  
3 15 remuneration or extra benefits provided to an employee.

3 16 Code section 99G.10, concerning the lottery authority, is  
3 17 amended to provide that employees of the authority not receive  
3 18 bonus pay.

3 19 2008 Iowa Acts, chapter 1191, concerning the pay of  
3 20 appointed state officers, is amended to eliminate the ability  
3 21 of the officer to receive additional remuneration if approved  
3 22 by the governor or otherwise authorized by law.

3 23 The bill takes effect upon enactment.

3 24 LSB 1638YH 83

3 25 ec/rj/14